

INFORMATION LETTER

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Fruits and Vegetables for Canning Exempt from Imposed Control Under Bill Passed by House

As announced in a bulletin sent to all canners under date of June 18th, the bill to amend the Agricultural Adjustment Act as passed by the House contains an amendment the effect of which is to exclude fruits and vegetables for canning from the operation of any imposed control schemes. Such commodities may, however, still be the subject of voluntary marketing agreements. Growers and canners will, if this bill is passed in the same form by the Senate, be free to work out voluntary marketing agreements and other measures, in cooperation with the Secretary of Agriculture, to accomplish the purposes of the Agricultural Adjustment Act.

The bill upon its passage by the House was sent to the Senate and referred to the Committee on Agriculture, which is expected to report the bill out early next week.

As adopted by the House, the section authorizing the Secretary to impose control schemes reads as follows:

"Orders issued pursuant to this section shall be applicable only to the following agricultural commodities and the products thereof (except products of naval stores), or to any regional, or market classification of any such commodity or product: Milk, fruits (including pecans and walnuts but not including apples and not including fruits for canning), tobacco, vegetables (not including vegetables for canning), and naval stores as defined in the Naval Stores Act. As used in this section, the term 'vegetables' includes soybeans."

Reorganization of National Recovery Administration

President Roosevelt, under date of June 15th, issued executive orders providing for reorganization of the National Recovery Administration. These orders established a Division of Review, whose duty it will be to assemble, analyze, and report upon statistical information and records of experience of the various trades and industries under codes, and a Division of Business Cooperation, the function of which will be to aid in maintenance, by trade and industrial groups, of standards of fair competition and employment conditions.

The President named James L. O'Neill as acting administrator of the reorganized National Recovery Administration and appointed Leon C. Marshall director of the Division of Review and Prentiss L. Coonley director of the Division of Business Cooperation. He likewise named an advisory council consisting of Charles Edison, Howell Cheney, Philip Murray, William Green, Emily Newell Blair and Walton H. Hamilton.

In a letter addressed to the acting administrator the President requested him to set up in the Division of Business Cooperation a section devoted to accumulating, checking, and reporting information concerning the extent to which changes occur in the maintenance of labor standards or fair practice provisions of codes of fair competition following the abolition of such codes. It was suggested in this letter that information should be collected through field offices and other available sources under such supervision that reports sent to Washington can be checked, compiled, and put in form for appropriate publication with assurance that they are accurate and as comprehensive as possible.

Bill to Control Hours and Wages in Government Contracts Introduced

A bill to make effective that part of the President's N. R. A. program to require government contractors, subcontractors and material men to conform to schedules of hours and minimum wages and to prohibition of child labor, was introduced in the Senate by Senator Walsh of Massachusetts on June 14th.

The bill provides that all contractors selling supplies, materials, or services to the United States or any Federal agency or corporation would be required to agree by contract to pay employees minimum wages and work them only the maximum hours specified in the invitation for bids. They would also have to agree that no child labor will be used in the carrying out of the contract or the production of the supplies.

The bill also requires that borrowers of all Federal money (including states and territories) would have to agree to secure from the people with whom they contract similar agreements concerning minimum wages, maximum hours, and child labor.

Government contracts and contracts by persons borrowing Federal funds would further provide that violation of the contract provisions concerning minimum wages, maximum hours, and child labor will require the payment of liquidated damages which may be withheld out of money due and warrant the cancellation of the contract. Representatives of the Government or other contracting parties must be permitted to inspect relevant pay roll and the records of the bidder.

Labor Disputes Bill Passed by Senate

The Labor Disputes bill (S. 1958), which passed the Senate on May 16th, was passed by the House on June 19th, with amendments. The legislation now goes to conference.

The bill as reported by the House Labor Committee would have placed the Labor Relations Board under the Department of Labor, but this committee amendment was rejected and the Senate provision for its establishment as an independent agency approved.

The bill, as passed, declares it to be the policy of the United States to encourage the practice and procedure of collective bargaining, creates a national labor relations board, defines the rights of employees, and establishes the principle of majority representation for collective bargaining.

In the bill as passed by the House the declaration of policy has been reformulated with intent to bring it outside the Supreme Court ruling in the Schechter case.

The bill declares it to be an unfair labor practice for an employer—

To interfere with, restrain, or coerce employees in the exercise of the right to self-organization, to form, join, or assist labor organizations, to bargain collectively through representatives of their own choosing, and to engage in concerted activities, for the purpose of collective bargaining or other mutual aid or protection.

To dominate or interfere with the formation or administration of any labor organization or contribute financial or other support to it.

By discrimination in regard to hire or tenure of employment or any term or condition of employment to encourage or discourage membership in any labor organization: Provided, that nothing in the Act, or in any other statute of the United States, shall preclude an employer from making an agreement with a labor organization (not established, maintained, or assisted by any action defined in the Act as an unfair labor practice) to require as a condition of employment membership therein, if such labor organization is the representative of the employees in the appropriate collective bargaining unit covered by such agreement when made.

To discharge or otherwise discriminate against an employee because he has filed charges or given testimony under this Act.

To refuse to bargain collectively with the representatives of his employees.

The bill specifically provides that nothing in the Act shall be construed so as to interfere with, impede, or diminish in any way the right to strike.

In the bill as passed by the House it is provided that the Labor Relations Board "shall decide in each case whether, in order to insure

to employees the full benefit of their right to self-organization and to collective bargaining, and otherwise to effectuate the policies of this Act, the unit appropriate for the purposes of collective bargaining shall be the employer unit, craft unit, plant unit, or other unit."

Senate Passes Social Security Bill

The Social Security bill (H. R. 7260), which passed the House on April 19th, was passed by the Senate with amendments on June 19th. The differences will be adjusted by conference.

Most important among the amendments made by the Senate were adoption of a provision exempting private pension systems from the Government's compulsory annuity plan and elimination of a provision for the voluntary purchase of annuities from the Government. The principal provisions of the bill include:

Grants to States for assistance to needy old persons more than 65 years of age. Grants would be on an equal matching basis, except that in no case would the Government's share exceed \$15 a month. A Federal appropriation of \$49,750,000 would be provided for the fiscal year 1936.

Federal old-age annuities to persons over 65 years of age, ranging from \$10 to \$85 a month, depending upon the amount of wages earned before the retirement date. Farm labor, domestic servants, casual labor, Federal and State employees, and employees of religious, scientific, charitable, literary, and educational organizations would be exempted. A pay-roll tax would be levied on both employees and employers for financing the compulsory Federal old-age pension plan. The tax would begin at 1 per cent in 1937 and by graduated steps would reach 3 per cent in 1949 and thereafter.

Stimulation of State unemployment insurance system by Federal grants in aid and imposition of a uniform pay-roll tax on employers. Against this tax a credit would be allowed by the Federal Government up to 90 per cent of payments made by employers to a State unemployment insurance fund. With the exception of certain uniform standards, States would be left free to set up any plan they wish. The excise tax upon employers of four or more persons, to finance the unemployment insurance program, would begin at 1 per cent in 1936, and reach 3 per cent in 1938.

Grants to States for aiding in the permanently blind. These grants would be on an equal matching basis to States whose own plans for caring for the blind meet given standards. In no case would the Federal Government contribute more than \$15 a month. For this purpose \$3,000,000 would be appropriated for 1936, and necessary amounts thereafter.

Grants to States for carrying out State plans in aid of dependent children. Grants would be on a one-third matching basis, except in no case would the Federal Government pay more than \$6 a month for any single dependent child.

Federal aid to States to help them extend and improve their services for promoting the health of mothers and children. Some of the grants would be allotted equally among the States, some on the basis of the number of births, some on the basis of need. All of the money except on the basis of need would be on an equal matching basis. Special provision would be made to help States extend and improve medical, surgical and corrective services for crippled children. The Children's Bureau would be authorized to cooperate with State public welfare agencies to extend their services. Federal disbursements among the States for vocational education of the physically disabled would be nearly doubled.

Appropriation of \$8,000,000 annually for grants to aid States in maintaining adequate public health services. The Surgeon General of the Public Health Service would make allotments on the basis of population, special health problems, and financial need. An additional \$2,000,000 would be appropriated each year, to be spent by the Public Health Service in investigating disease, problems of sanitation, and in cooperating with State health authorities.

The program would be administered by a social security board of three members set up under the Department of Labor.

Bill Introduced to Prohibit Price Discrimination

Representative Patman of Texas has introduced a bill (H. R. 8442) "making it unlawful for any person engaged in commerce to discriminate in price or terms of sale between purchasers of commodities of like grade and quality, to prohibit the payment of brokerage or commission under certain conditions, to suppress pseudo-advertising allowances, to provide a presumptive measure of damages in certain cases and to protect the independent merchant, the public whom he serves, and the manufacturer from whom he buys, from exploitation by unfair competitors."

Crop Conditions

The following crop condition information is based on telegraphic reports from canners and indicates the condition of the crop on Thursday night, June 20th. These crop condition reports are supplemented by a table which gives the average temperatures and total rainfall for the past two weeks and for the corresponding week last year. The accompanying graphs show effective growing temperatures in Maryland, New York, and Wisconsin for the first three weeks of June, 1934, and up to June 20, 1935.

MARYLAND AND DELAWARE: Pea pack in Delaware and Eastern Shore of Maryland practically completed. Quality of pack was reported to be very good, with yields somewhat below expectations.

SOUTHERN PENNSYLVANIA AND NORTHERN MARYLAND: Temperatures in this section during first five days of the week were too high for the best conditions for development of the pea crop. Pack in this section is in full swing.

UTAH: All Utah canners are now packing Surprise peas and will start on Perfections about July 1st. Yield and quality of both varieties excellent.

NEW YORK: Canning of Alaskas in a small way will start Monday, June 24. During the past week weather has been fairly cool, except for two days, and moisture has been plentiful. Peas are reported to be in very good condition except that there is a heavy infestation of aphids with danger of extensive damage to late peas.

MAINE: Peas are reported to be in very good condition. Temperatures have been favorable and there has been plenty of moisture. Stands are good and the crop is slightly earlier than usual. Packing will probably start sometime between the first and fifth of July. Corn stands are also very good and corn is coming along nicely.

OHIO: The Ohio pack of Alaskas is practically completed. Yields below early expectations. Serious damage from aphids reported in some sections.

CENTRAL ILLINOIS: Pea pack in central Illinois began the first of the week but very few peas have been harvested because of heavy rains. Normal yields are expected for all varieties if weather conditions become favorable. Cultivation of corn at a standstill because of too much rain.

MINNESOTA: Pea crop progressing satisfactorily with weather conditions favorable.

Conditions of sweet corn on the Eastern Shore of Maryland are reported to be very good. In Pennsylvania and northern Maryland crop is reported to be about two weeks late, with conditions ranging from fair to good.

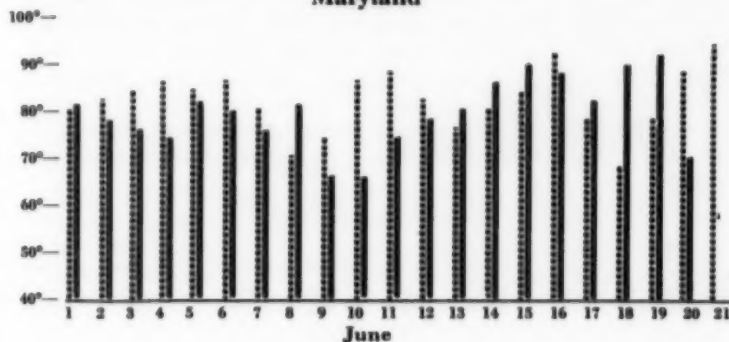
District	Week ended June 11, 1935		Week ended June 18, 1935		Week ended June 19, 1934	
	Temp.	Rain	Temp.	Rain	Temp.	Rain
Maine	58	3.4	68	1.6	60	.9
Western New York	62	.8	60	.8	67	1.6
Tri-States	69	3.0	78	.2	75	3.0
South Central Ohio	61	.4	75	.1	74	.2
Central Indiana	61	.8	74	2.0	75	1.1
Central Illinois	61	.6	74	2.1	74	.2
Northern Illinois, Southern Wisconsin	58	.2	68	.9	60	1.0
Southern Minnesota	56	.4	68	2.6	60	.1
Northern Colorado	63	.0	69	.6	69	.6
Northern Utah	71	.0	70	.0	74	.0
Northwestern Washington	65	.2	60	.8	62	.2
Southeastern Washington	71	.0	65	.6	72	.0

Temperatures in Pea Canning Districts

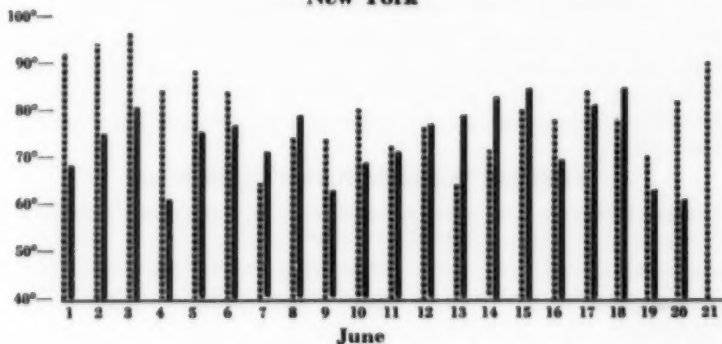
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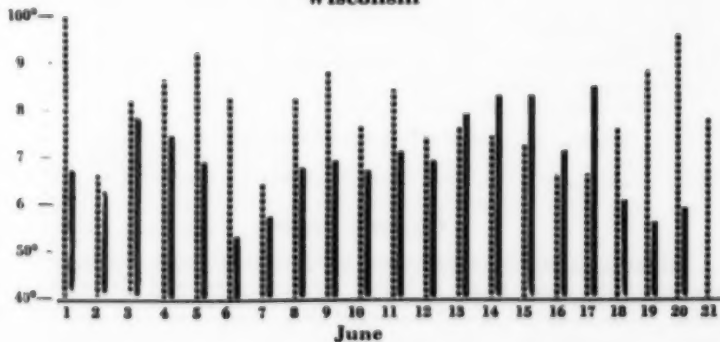
Maryland



New York



Wisconsin



Acreage of Pimientos for Canning

The 1935 preliminary estimate of the Bureau of Agricultural Economics on planted acreage of pimientos for manufacture is 23.1 per cent larger than the acreage planted in 1934. A total of 12,770 acres is indicated for the United States in 1935 compared with 10,340 in 1934. California's plantings are 32 per cent larger than those of last year, and the plantings in Georgia are 22 per cent larger. The average annual difference between acreage planted and acreage harvested for the last 5 years (1930-1934) has been 6.8 per cent of the planted acreage.

State	1931	1932	1933	1934	1935	
	<i>Acres</i>	<i>Acres</i>	<i>Acres</i>	<i>Acres</i>	As per cent of 1934 <i>Per cent</i>	Indicated <i>Acres</i>
California	1,905	2,110	580	1,040	132	1,370
Georgia	6,000	6,800	5,800	9,300	122	11,400
Total	7,905	8,910	6,380	10,340	123.1	12,770

California Fish Cannery to Continue Code Wages

The tuna, mackerel, and sardine industry of California will not make any alterations in the wages and hours that have been in effect under the N. R. A., a resolution to this effect having been unanimously adopted at a meeting of the California Fish Cannery Association on June 6th.

Fruit and Vegetable Market Competition

CARLOT SHIPMENTS AS REPORTED BY THE BUREAU OF AGRICULTURAL ECONOMICS,
DEPARTMENT OF AGRICULTURE

Commodity	Week ending June 15		Week ending June 8		Total for season through June 15	
	1934	1935	1935		1934	1935
Vegetables:						
Beans, snap and lima	328	253	274		11,703	8,745
Tomatoes	1,948	1,326	1,702		15,949	13,128
Green peas	179	99	146		4,208	4,086
All other vegetables:						
Domestic—						
Competing directly	3,442	2,573	3,856		106,483	97,052
Competing indirectly	14	21	5		17,185	19,512
Imports, competing indirectly...	10	
Fruits:						
Citrus, domestic	2,466	2,872	3,185		102,777	109,207
Imports	17	16	11		791	348
Others, domestic	1,392	1,342	1,160		22,627	15,467

Canner's Sugar

Results of recent sugar tests indicate that some manufacturers are supplying sugar which is highly contaminated with flat sour bacteria. It is believed that such sugar may lead to serious spoilage if used in canning peas and corn. It is therefore re-emphasized that

canners of non-acid products should purchase sugar on specification and submit samples of deliveries to a qualified laboratory to determine whether it conforms to N. C. A. standards.

In submitting samples, one-half pound portions should be taken from each of five bags or barrels of the shipment or lot in question. These samples should be sent to the laboratory in clean, sealed cans or other appropriate containers. If sent in paper bags or similar containers, the package should be wrapped and sealed so that there will be no leakage of sugar during shipment.

This sampling practice should be uniform whether samples are taken from deliveries or from manufacturer's warehouse stock. The practice of obtaining advance samples of warehouse stock should, however, be discouraged because it is unnecessary where the manufacturer maintains adequate bacteriological control of his operation and it is of limited value where he does not. In several instances where there has been no adequate control, it has been noted that certain lots will conform to standard while other lots, manufactured in the same plant, will show an objectionable amount of contamination. This variability of itself indicates lack of control by the manufacturer and often leads to unnecessary expense and delay occasioned by the necessity for the rejection of shipments.

California Canned Fruit Carryover

The following table, showing the carryover on June 1st and sales of California canned fruits for the last two years (basis of No. 2½s) has been prepared from the detailed report issued by the Canners League of California under date of June 13th.

Commodity	Carryover, June 1		Sales	
	1934	1935	1934	1935
	Cases	Cases	Cases	Cases
Apricots	166,820	226,664	2,539,457	1,704,096
Cherries	86,547	22,036	345,206	207,523
Pears	154,401	651,116	1,940,800	2,244,915
Freestone peaches	1,746	20,404	66,277	325,754

Fruit Crop Prospects

Following are excerpts from the report of the Bureau of Agricultural Economics on the condition and prospects of certain fruit crops, based upon data as of June 1st:

APPLES.—The June 1 condition of the United States apple crop is reported at 71.3 per cent of normal which is 22.6 points above the very low condition of 48.7 reported in June last year and 3.5 points above the average June 1 condition for the ten-year period 1923-1932.

Early season indications point to favorable apple prospects for most States, the exceptions being confined chiefly to the south central group of States.

CHERRIES.—The total crop of sweet and sour cherries in the twelve commercial States is forecast on June 1 at 123,980 tons, which is about 9 per cent larger than the crop of 1934, 6 per cent larger than that of 1933, and 15 per cent larger than the average production for the 5-year period 1928-1932. Reports from growers indicate considerable damage to sweet cherries from winter injury and frosts during the blossom period. The sour cherries were hardier and withstood the severe winter weather and spring frosts and now give prospects for a fairly large crop in all important commercial areas.

The sour cherry crop in New York is forecast as of June 1 at 22,100 tons, which is 22 per cent larger than the crop produced last year and 23 per cent larger than the average crop of 18,006 tons for the four years 1929 to 1932. While no comparable series is available for other States, it is estimated that 95 per cent of the Michigan and 98 per cent of the Wisconsin production will be sour varieties. The sweet cherry crop in the lower Yakima Valley of Washington was damaged by late spring frosts, but a fair crop is reported from other districts.

PEACHES.—The total peach crop, as indicated by the June 1 condition, is forecast at 52,322,000 bushels, 15 per cent larger than the 1934 crop of 45,571,000 bushels, and 17 per cent larger than the 1933 crop of 44,692,000 bushels. The 1935 forecast, however, is 7 per cent less than the average production for the five years 1928-1932. Relatively poor prospects in California, which usually produces more than two-fifths of the total crop, and low production prospects in the North Atlantic States, account to a large extent for below-average production indicated for the 1935 crop.

PEARS.—The first forecast of the total 1935 pear crop based on the condition of 60.1 per cent on June 1 is 21,999,000 bushels, which is 4 per cent larger than the 1933 crop, but is 6 per cent smaller than the 1934 crop and 5 per cent smaller than the average crop for the 5 preceding years.

Pear crop prospects in the eastern States are generally more favorable than a year ago as the bloom period was somewhat later than usual and a fair set of fruit escaped many of the late spring frosts.

The California pear crop, which usually represents more than one-third of the total pear production of the United States, suffered severe losses from scab infestation and a heavy fruit drop which was caused primarily by the heavy spring rains. The good prospects in Oregon and Washington now indicate a 1935 pear crop for those States that is 12 per cent larger than last year's.

Trend of Retail Sales in May

Sales of general merchandise in small towns and rural areas for May, 1935, were about 17 per cent higher in dollar volume than for May, 1934, and were 44 per cent above the same month of 1933, according to indexes of the Bureau of Foreign and Domestic Commerce. Daily average sales for May decreased about $9\frac{1}{2}$ per cent from April, or considerably more than the estimated seasonal amount. The seasonally adjusted index was 93 in May on the basis of the 1929-31 monthly average as 100 compared with 101 in April and $97\frac{1}{2}$ in March. Total sales for the first five months of 1935 were 20 per cent higher than for the same period of 1934, statistics show.

Daily average sales of chain grocery stores for May showed a slight decrease from April, but were about 5 per cent higher, in dollar volume, than for May, 1934, and 11 per cent higher than 1933. Total sales for the first five months of the year were about $4\frac{1}{2}$ per cent above those for the corresponding period in 1934.

Italy Establishes Special License Tax on All Imports

A special license tax of 3 per cent of the value of all goods imported into Italy under license or permit was established by a decree of May 13th, published in the *Gazzetta Ufficiale* of June 17, 1935, presumably effective immediately, according to a cablegram from the American charge d'affaires at Rome. The decree states that the proceeds of this tax are to be used in "regulating foreign trade." It is understood that this tax will apply on all goods admitted for importation.

N. R. A. Complaints Formally Dismissed

The Federal Trade Commission announced on June 18th that it had dismissed complaints against 18 companies engaged in the crab industry in Virginia. The complaints had been issued on relation of the National Recovery Administration and charged violation of the Blue Crab Industry Code of Fair Competition. Dismissal was ordered by the Commission because of the Supreme Court's decision in the Schechter case, and upon request of the National Recovery Administration.

Questions Asked the Home Economics Division

"How many cans of food are sold each year?"

"How may I know all the varieties of food canned?"

"Is it true that cans should be emptied as soon as they are opened?"

"Should canned vegetables be opened and exposed to the air before they are used?"

"I always throw away the liquid on canned vegetables and wash them with cold water before I use them. Is this necessary?"

"Are canned foods the leftovers from the raw foods market?"

"How do the canners get a sufficient number of women to shell peas fast enough to keep a canning plant supplied?"

"Are red sour cherries dyed and how is the good red color obtained in tomato juice, is it a dye?"

"Please help me plan my meals. I live in Shanghai and depend largely on American canned foods. Your leaflets will be greatly appreciated."

"I am a bride and know nothing about meal planning. I work in an office from 9 to 5. Please help me plan meals for two that are easy to prepare and that will be attractive. My food budget is not large, so please make them quite inexpensive."

These questions and many others like them are constantly asked Miss Atwater and Miss Black of the Association's Division of Home Economics. Sometimes the questions are asked personally, and sometimes they come by letter.

They are asked by well-trained people and by people who have no training but who are eager to know more about canned foods.

Many of the consumer leaflets have been written to answer just such questions. "What to Have—Any Day, Any Meal, Any Course," gives a list of canned products. "Meals for Two" was written especially for the brides, and "Camping with Canned Foods" was written in response to many requests about the amounts and kind of canned food to eat on camping trips.

Already thousands of these leaflets have been sent out on request and still the questions come pouring in. There is no doubt about it, people like to eat and eat well and canned foods are the answer to many people's needs.

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